

**GOVERNMENT OF INDIA
HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
LOK SABHA**

STARRED QUESTION NO:262

ANSWERED ON:21.03.2017

Revival of Closed PSUs/Industrial Units

Gupta Shri Shyama Charan

Will the Minister of HEAVY INDUSTRIES AND PUBLIC ENTERPRISES be pleased to state:

- (a) whether the Government has any scheme or action plan to protect sick public sector undertakings and for revival/ rejuvenation of PSUs/industrial units which have been closed down;
- (b) if so, the details thereof indicating the details of the PSUs/industrial units where revival plan is being implemented, State and location-wise including Naini in Allahabad;
- (c) the action taken by the Government to provide means of livelihood to the workers employed in the sick/closed down PSUs/industrial units including in Naini, Allahabad; and
- (d) whether the rising dues of the workers in these units is leading to unrest among the workers and if so, the corrective steps being taken by the Government in this regard?

Answer

THE MINISTER OF HEAVY INDUSTRIES AND PUBLIC ENTERPRISES
(SHRI ANANT G. GEETE)

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in Lok Sabha Starred Question No.*262 for reply on 21.3.2017 on "Revival of Closed PSUs/Industrial Units"

(a) & (b): Central Public Sector Enterprises (CPSEs) function under the administrative control of various Ministries/Departments. The concerned administrative Ministry/ Department is responsible for revival/rejuvenation of sick CPSEs/Units including those located in Naini, Allahabad which have been closed down.

Department of Public Enterprises (DPE) deals with policy issues applicable to CPSEs. DPE, as a nodal Department of CPSEs has, inter alia, issued guidelines for revival and restructuring of sick/ incipient sick and weak CPSEs on 29.10.2015 which are administered and implemented by the administrative Ministries/Departments in respect of CPSEs functioning under their control. As per the guidelines issued on 29.10.2015, the concerned administrative Ministries/ Departments are responsible to monitor the performance of the CPSEs and take remedial steps by formulating revival/restructuring/ disinvestment/closure plans for CPSEs and after obtaining the approval of competent authority, implement the plans.

As far as the Department of Heavy Industry (DHI) is concerned, it has been undertaking appraisal of the status of each CPSE on case to case basis and the ones having profitability potential are supported to improve their performance while the chronically sick and loss making companies are closed down with attractive compensation to the employees. The details of approvals of the Government in respect of CPSEs under the administrative control of Department of Heavy Industry are given in Annex-I.

(c): The interests of the employees are kept in view by the administrative Ministry/Department while formulating revival/restructuring plans which include provision of VRS, settlement of employee related dues, statutory dues, etc. The guidelines issued by DPE for time bound closure of CPSEs on 07.9.2016, inter alia, provides for payment of VRS at 2007 notional pay scale. Further, the Counselling, Retraining & Redeployment (CRR) Scheme of the Government provides opportunities of self/wage employment to the employees or their dependents separated under Voluntary Retirement Scheme (VRS)/ Voluntary Separation Scheme (VSS) or retrenched due to closure/restructuring of the CPSEs. The Scheme aims at providing short duration skill development/ entrepreneurship development training programmes to equip the beneficiaries for self/ wage employment.

(d): DPE does not maintain the data centrally on the dues of the workers in these units. As far as dues of workers in CPSEs/ units under DHI are concerned, the details are at Annex-II. DPE has no information on unrest among the workers due to their dues. However, there are no reports of labour unrest in the CPSEs/Units under closure functioning under DHI.